



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

September 19, 2008

Robert M. McAllister, President
Los Angeles By-Products Co.
10940 Portal Drive
Los Alamitos, CA 90720

Re: Unilateral Administrative Order for North Hollywood Operable Unit of the San Fernando Valley Superfund Site

Dear Robert M. McAllister:

Enclosed is a Unilateral Administrative Order ("UAO") issued to Los Angeles By-Products Co. pursuant to Section 106(a) of the Comprehensive Environmental Response, Compensation & Liability Act ("CERCLA"), 42 U.S.C. § 9606(a).

If Los Angeles By-Products Co. would like to confer with EPA regarding this order, it must request a conference no later than the close of business on Thursday, September 25, 2008. If Los Angeles By-Products Co. requests a conference, the conference must be held before the close of business on Tuesday, September 30, 2007.

If you have any questions or concerns, please feel free to contact me at (415) 972-3034.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Massey".

Michael Massey
Assistant Regional Counsel

cc: Rachel Loftin, EPA

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION IX

IN THE MATTER OF:

North Hollywood Operable Unit,
San Fernando Valley Superfund Site, Area 1
Los Angeles, California

Los Angeles By Products Company; Pick
Your Part Auto Wrecking; Waste
Management Recycling & Disposal Services
of California, Inc. dba Bradley Landfill &
Recycling Center; Hawker Pacific
Aerospace; the Wagner Living Trust; the
Basinger B Trust (Exemption Trust); and the
Basinger C Trust (Marital Trust)

Respondents

UNILATERAL ADMINISTRATIVE
ORDER FOR RESPONSE ACTIVITIES

U.S. EPA Region IX
CERCLA Docket No. 9-2008-0025

Proceeding Under Section 106(a) of the
Comprehensive Environmental Response,
Compensation, and Liability Act, as
amended, 42 U.S.C. § 9606(a)

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I. JURISDICTION AND GENERAL PROVISIONS

1. This Order is issued pursuant to the authority vested in the President of the United States by Section 106(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. § 9606(a), as amended ("CERCLA"), and delegated to the Administrator of the United States Environmental Protection Agency ("EPA") by Executive Order No. 12580, January 23, 1987, 52 Federal Register 2923, and further delegated to the Regional Administrators by EPA Delegation Nos. 14-14-A and 14-14-B. This authority has been duly redelegated to the Branch Chief, Superfund Division, EPA Region 9 ("Branch Chief"), by regional delegations 1290.13 and 1290.14A, dated September 29, 1997, and November 16, 2001.
2. This Order pertains to groundwater contamination in the North Hollywood Operable Unit ("NHOU") of Area 1 of the San Fernando Valley Superfund Site, located in the vicinity of Los Angeles, California (the "Site"). This Order requires the Respondents to conduct response actions described herein to abate an imminent and substantial endangerment to the public health, welfare, or the environment that may be presented by the actual or threatened release of hazardous substances at or from the Site.
3. EPA has notified the state of California ("State") of this action pursuant to Section 106(a) of CERCLA, 42 U.S.C. § 9606(a).

II. PARTIES BOUND

4. This Order applies to and is binding upon Respondents and Respondents' successors and assigns. Any change in ownership or corporate status of Respondents including, but not limited to, any transfer of assets or real or personal property shall in no way alter Respondents' responsibilities under this Order. Respondents are jointly and severally liable for carrying out all activities required by this Order. Compliance or noncompliance by one or more Respondents with any provision of this Order shall not excuse or justify noncompliance by any other Respondents.

Respondents shall ensure that their contractors, subcontractors, and representatives receive a copy of this Order and comply with this Order. Respondents shall be responsible for any noncompliance with this Order.

III. DEFINITIONS

5. Unless otherwise expressly provided herein, the terms used in this Order that are defined in CERCLA or in regulations promulgated under CERCLA shall have the meaning assigned to them in CERCLA or in such regulations. Whenever the terms listed below are used in this Order, or in the exhibits attached hereto and incorporated hereunder, the following definitions shall apply:
 - a. "Days" shall mean consecutive calendar days unless expressly stated otherwise.

- b. "Working days" shall mean consecutive calendar days other than a Saturday, Sunday, or federal holiday. In computing any period of time under this Order where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business on the next working day.
- c. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 and by the Small Business Liability Relief and Brownfields Revitalization Act of 2002, 42 U.S.C. § 9601 et seq.
- d. "Unilateral Order" or "Order" shall mean this Unilateral Administrative Order, EPA docket number 9-2008-0025, and any attachments hereto. In the event of a conflict between this Order and any attachment, this Order shall control.
- e. "EPA" shall mean the United States Environmental Protection Agency and any successor departments or agencies of the United States.
- f. The "Facilities" shall mean: (1) the Bradley Landfill, located at 9227 Tujunga Avenue, Sun Valley California ("Bradley Facility"); (2) the Gregg Pit/Benz Dump, located at 9361 Glenoaks Blvd, Sun Valley, California ("Gregg Pit Facility"); (3) the Hawker Pacific Aerospace facility, located at 11240 Sherman Way, Sun Valley, California ("Hawker Facility"); and (4) the Penrose Landfill, located at 8271 Tujunga Avenue, Sun Valley, California ("Penrose Facility").
- g. "National Contingency Plan" or "NCP" shall mean the National Oil and Hazardous Substances Pollution Contingency Plan promulgated pursuant to Section 105 of CERCLA, 42 U.S.C. § 9605, codified at 40 CFR Part 300.
- h. "Paragraph" shall mean a portion of this Order identified by an Arabic numeral.
- i. "Respondents" shall mean Los Angeles By Products Company ("LABP"); Pick Your Part Auto Wrecking ("Pick Your Part"); Waste Management Recycling & Disposal Services of California, Inc. dba Bradley Landfill & Recycling Center ("Waste Management"); Hawker Pacific Aerospace ("Hawker Pacific"); the Wagner Living Trust; the Basinger B Trust (Exemption Trust); and the Basinger C Trust (Marital Trust).
- j. "Response Action" shall mean those specific work items that Respondents are required to perform at the Site pursuant to this Order, as set forth in Section VI of this Order.
- k. "Section" shall mean a portion of this Order identified by a Roman numeral, unless otherwise stated.

- l. "Site" shall mean the North Hollywood Operable Unit of the San Fernando Valley Superfund Site, Area 1, located in the vicinity of Los Angeles, California and all of the Facilities. The Site is generally shown on the maps included in Appendix A.
- m. "State" shall mean the state of California, and all of its political subdivisions, including the Department of Toxic Substances Control ("DTSC").
- n. "United States" shall mean the United States of America.

IV. FINDINGS OF FACT

- 6. The San Fernando Valley Basin (the "Basin") is an important source of drinking water for the Los Angeles metropolitan area. The Los Angeles Department of Water and Power ("LADWP") produces groundwater for public distribution from seven well fields near or within the NHOU. Over the past ten years, groundwater from LADWP well fields located in the Basin, including in the NHOU, has contributed approximately fifteen percent of the City of Los Angeles' municipal water supply.
- 7. Groundwater in the area of the NHOU flows southeast. Locally, groundwater flow is influenced by well field pumping and groundwater recharge.
- 8. Tests conducted in the early 1980s to determine the presence of certain industrial chemicals in the State's drinking water revealed extensive contamination from volatile organic compounds ("VOCs") in the Basin's groundwater. In 1985, groundwater from twenty seven of the thirty eight production wells in the NHOU well field exceeded the federal Maximum Contaminant Level ("MCL") for trichloroethylene ("TCE"), and four wells exceeded the MCL for tetrachloroethylene ("PCE").
- 9. Soil and soil gas sampling conducted in the vadose zone as well as groundwater sampling at or in the vicinity of the Facilities demonstrate that PCE and/or TCE releases at the Facilities have impacted or threaten to impact groundwater in the vicinity of the NHOU well field.
- 10. According to the Agency for Toxic Substances & Disease Registry ("ATSDR"), drinking or breathing high levels of TCE may cause nervous system effects, liver and lung damage, abnormal heartbeat, coma, and possibly death. Drinking small amounts of TCE for long periods may cause liver and kidney damage, impaired immune system function, and impaired fetal development in pregnant women. ATSDR also considers exposure to very high concentrations of PCE to cause dizziness, headaches, sleepiness, confusion, nausea, difficulty in speaking and walking, unconsciousness, and death. The National Institute for Occupational Safety and Health considers PCE a potential carcinogen.
- 11. The Bradley Facility is currently owned and operated by Waste Management. The Gregg Pit Facility is currently owned by Pick Your Part and Hayward Associates. The Hawker Facility is currently owned by the Wagner Living Trust, the Basinger B Trust (Exemption Trust), and the Basinger C Trust (Marital Trust). The Hawker Facility is currently

operated by Hawker Pacific. The Penrose Facility is currently owned and operated by LABP.

12. In September of 1987, EPA signed a Record of Decision ("ROD") for the remediation of VOC-contaminated groundwater in the NHOU. The 1987 ROD called for fifteen years of extraction and treatment of VOC-contaminated groundwater in order to contain the VOC plume and remove contaminant mass. The groundwater extraction and treatment remedy selected in the 1987 ROD began operating in December 1989 and continues to operate today (the "Existing Remedy").
13. The Existing Remedy was constructed to operate in conjunction with LADWP's North Hollywood municipal water treatment and distribution plant. Since its startup, LADWP has operated and maintained the Existing Remedy under a cooperative agreement with EPA.
14. In 1996 and 1997, thirty seven parties entered into consent decrees with the United States (the "Consent Decrees"),¹ in which they agreed to (1) reimburse the United States for all NHOU past costs and a proportional share of past Basin-wide costs, and (2) pay future costs to operate and maintain the Existing NHOU Remedy for the remainder of its fifteen-year term. The settlement proceeds from the Consent Decrees were deposited in a special account for the NHOU. EPA's covenant not to sue in the Consent Decrees is limited to the costs necessary to implement the Existing NHOU Remedy during the fifteen year period contemplated in the ROD.
15. Pursuant to a cooperative agreement with LADWP, EPA uses the NHOU special account funds to reimburse LADWP for the costs of operating the Existing Remedy.
16. EPA is currently in the process of developing a new remedy for the NHOU to address VOC contamination that has been detected in new areas of the NHOU and contaminants not addressed by the Existing Remedy, e.g., hexavalent chromium (the "New Remedy"). EPA expects a decision document selecting a New Remedy to be finalized in early 2009, and anticipates that the New Remedy will be constructed and operational approximately three years after execution of a consent decree to implement the New Remedy.
17. EPA expects that the money in the NHOU special account that is currently being used to fund operation and maintenance of the Existing Remedy will be exhausted in October 2008. Without additional funding, the Existing Remedy will cease operating. If the Existing Remedy ceases operating before construction and startup of the New Remedy, EPA expects that (1) containment of the VOC groundwater plume will be compromised, (2) the contaminant plume will migrate in response to the influences of natural groundwater flow and regional groundwater pumping, and (3) as a result, additional LADWP drinking water production wells will be impacted.

¹ The United States entered into the First Partial Consent Decree in *United States v. Allied Signal et al*, Docket No. 93-6490-MRP, with nine parties in 1996. Twenty eight additional parties signed the Second Partial Consent Decree in *United States v. Allied Signal et al*, Docket No. 93-6490-MRP, in 1997.

18. In April 2008, EPA approached eleven of the thirty seven Consent Decree signatories to request funding to operate and maintain the Existing Remedy from October 2008 until the New Remedy is constructed and operating (the "Interim Period").² The remaining twenty six Consent Decree signatories are either no longer viable parties or were third-party defendants in the Consent Decrees on which EPA had not, as of April 2008, completed its liability investigation.
19. Of the eleven parties EPA approached for Interim Period funding, four parties (the "AOC Parties") agreed to enter into an administrative order on consent ("AOC") with EPA.³ The AOC Parties agreed to pay EPA \$1,300,920 ("AOC Funds") to operate and maintain the Existing Remedy during the Interim Period. Pursuant to the AOC, EPA will deposit the AOC Funds in the NHOU special account to be used to operate and maintain the Existing Remedy. In the AOC, EPA reserved its rights to seek additional funding for operation and maintenance of the Existing Remedy if the AOC Funds are exhausted before the end of the Interim Period.
20. The seven Respondents that are subject to this Order refused to voluntarily enter into the AOC.⁴

V. CONCLUSIONS OF LAW AND DETERMINATIONS

21. Based on the Findings of Fact set forth above, and the Administrative Record supporting this response action, EPA has determined that:
 - a. The Facilities are each a "facility" as defined by Section 101(9) of CERCLA, 42 U.S.C. § 9601(9).
 - b. The contaminants found at the Site, including the PCE and TCE, are "hazardous substances" as defined by Section 101(14) of CERCLA, 42 U.S.C. § 9601(14).
 - c. Each Respondent is a "person" as defined by Section 101(21) of CERCLA, 42 U.S.C. § 9601(21).
 - d. Each Respondent is liable under Section 107(a) of CERCLA, 42 U.S.C. § 9607(a). As defined by Section 101(20) of CERCLA, 42 U.S.C. § 9601(20), and within the meaning of Section 107(a)(1) of CERCLA, 42 U.S.C. § 9607(a)(1), Waste

² Joseph Basinger and the Wagner Living Trust were signatories to the Consent Decrees as owners of the Hawker Facility. The Hawker Facility, however, is now owned by the Wagner Living Trust, the Basinger B Trust (Exemption Trust), and the Basinger C Trust (Marital Trust) (the "Trusts"). Consequently, the eleven parties initially approached by EPA became twelve parties for purposes of AOC negotiations and issuance of this UAO.

³ The AOC parties include Honeywell International, Inc.; Lockheed Martin Corporation; Calmat Co. dba Vulcan Materials Company, Western Division; and California Car Hikers Services, Inc. The AOC is identified by EPA Docket No. 9-2008-0024.

⁴ One of the eleven (which subsequently became twelve (see footnote 2)) parties that EPA attempted to contact for Interim Period funding (the Amended Cooke Family Trust) could not be located.

Management is the current owner and/or operator of the Bradley Facility; Pick Your Part is the current owner and/or operator of the Gregg Pit Facility; LABP is the current owner and/or operator of the Penrose Facility; and Hawker Pacific, the Wagner Living Trust, the Basinger B Trust (Exemption Trust), and the Basinger C Trust (Marital Trust) are the current owners and/or operators of the Hawker Facility.

- e. Soil and soil gas sampling conducted in the vadose zone as well as groundwater sampling at or in the vicinity of the individual Facilities demonstrate an actual or threatened "release" of a hazardous substance from the Facilities as defined by Section 101(22) of CERCLA, 42 U.S.C. § 9601(22).
- f. Actual or potential contamination of drinking water supplies due to (1) the release of TCE and/or PCE from the Facilities to the groundwater in the vicinity of the NHOU, and (2) the risk that contamination would spread to additional LADWP drinking water production wells if the Existing Remedy ceased operating constitutes an imminent and substantial endangerment to public health, welfare, or the environment within the meaning of Section 106(a) of CERCLA, 42 U.S.C. § 9606(a).
- g. The response actions required by this Order are necessary to protect the public health, welfare, or the environment, and are not inconsistent with the NCP and CERCLA.

VI. ORDER

22. Based upon the foregoing Findings of Fact, Conclusions of Law, Determinations, and the Administrative Record for this Site, EPA hereby orders that Respondents comply with the following provisions, including but not limited to all attachments to this Order, all documents incorporated by reference into this Order, and all schedules and deadlines in this Order, attached to this Order, or incorporated by reference into this Order, and perform the following response actions:

a. **Work to Be Performed**

Each Respondent shall either: (1) participate and cooperate with the AOC Parties by providing the AOC Parties with the funding necessary to continue the operation and maintenance of the Existing Remedy during the Interim Period ("Option 1") or (2) contain and prevent the migration of the contaminated groundwater in the NHOU in a manner that is at least as effective as the level of containment provided by the Existing Remedy ("Option 2"). If containment of the contaminated groundwater pursuant to Option 2 involves groundwater pumping, and treatment of the water for public consumption is the proposed end use, any Respondent that selects Option 2 must obtain LADWP's approval for the plan and treat the water to meet the applicable drinking water standards.

b. Notice of Intent to Comply

Within twenty (20) days after the effective date of this Order, each Respondent shall notify EPA in writing of its irrevocable intent to comply with this Order. Failure of any Respondent to provide such notification within this time period shall be a violation of this Order by such Respondent.

As part of each Respondent's notice of intent to comply, Respondent must indicate whether it will participate and cooperate with the AOC Parties to continue the operation and maintenance of the Existing Remedy pursuant to Option 1 or contain and prevent the migration of the contaminated groundwater in the NHOU pursuant to Option 2.

c. Work Plan and Implementation

If one or more Respondents choose Option 1 for performance of the work required pursuant to this Order, each such Respondent shall, at the time it notifies EPA of its intent to comply with this Order, submit to EPA for approval a draft work plan that states the amount Respondent proposes to contribute to the performance of the work. If approved by EPA, the amount contributed to performance of the work shall be sent to an AOC Party designated by EPA within thirty (30) days of EPA's approval of the work plan.

If one or more Respondents choose Option 2 for performance of the work required pursuant to this Order, such Respondents shall, within thirty (30) days of the effective date of this Order, submit to EPA for approval a single draft work plan for containing and preventing the migration of the contaminated groundwater in the NHOU that is at least as effective as the level of containment provided by the Existing Remedy. The draft work plan shall demonstrate the financial and technical ability of such Respondents to perform the work required by Option 2 and it shall provide a description of, and an expeditious schedule for, a final work plan and the work required by this Order.

The work plan for Option 2 shall include a Quality Assurance Project Plan (QAPP). The QAPP should be prepared in accordance with "EPA Requirements for Quality Assurance Project Plans (QA/R-5)" (EPA/240/B-01/003, March 2001), and "EPA Guidance for Quality Assurance Project Plans (QA/G-5)" (EPA/600/R-98/018, February, 1998).

EPA may approve, disapprove, require revisions to, or modify any draft work plan. If EPA requires revisions, Respondent(s) shall submit a revised draft work plan within ten (10) days of receipt of EPA's notification of the required revisions. EPA may deem any Respondent's failure to submit an adequate work plan a violation of the Order, and EPA may (1) seek penalties from Respondent(s) for failing to comply with this Order and (2) seek to recover costs from Respondent(s) for failure to comply with the Order.

Respondents shall implement the work plan as finally approved in writing by EPA in accordance with the schedule approved by EPA. Once approved, or approved with modifications, the work plan, the schedule, and any subsequent modifications shall be fully enforceable under this Order. Respondents that choose Option 2 for performance of the work required pursuant to this Order shall notify EPA at least forty eight (48) hours prior to performing any on-site work pursuant to the EPA approved work plan. Respondents shall not commence or undertake any response actions at the Site without prior EPA approval.

d. Designation of Contractor, Project Coordinator, and Remedial Project Manager

In the event that one or more Respondents choose to perform the work required by this Order in accordance with Option 2, such Respondents shall perform the response action themselves or retain (a) contractor(s) to perform the response action. Such Respondents shall notify EPA of their qualifications or the name(s) and qualifications of such contractor(s) within twenty five (25) days of the effective date of this Order. Such Respondents shall also notify EPA of the name(s) and qualification(s) of any other contractor(s) or subcontractor(s) retained to perform the response action under this Order at least ten (10) days prior to commencement of such response action. Any proposed contractor must demonstrate compliance with ANSI/ASQC E4-1994, "Specifications and Guidelines for Quality Systems for Environmental Data Collection and Environmental Technology Programs," (American National Standard, January 5, 1995), by submitting a copy of the proposed contractor's Quality Management Plan (QMP). The QMP should be prepared in accordance with "EPA Requirements for Quality Management Plans (QA/R-2)," (EPA/240/B-01-002, March 2001) or equivalent documentation as determined by EPA.

EPA retains the right to disapprove of any contractors and/or subcontractors retained by any Respondent, or of any Respondent's choice of itself to perform the response action. If EPA disapproves of a selected contractor or any Respondent's selection of itself to do the work, such Respondent(s) shall retain a different contractor or, if applicable, notify EPA that it will perform the response action itself within ten (10) business days following EPA's disapproval and shall notify EPA of that contractor's name or such Respondent's name and qualifications within ten (10) business days of EPA's disapproval.

e. Health and Safety Plan

In the event that one or more Respondents choose to perform the work required by this Order in accordance with Option 2, such Respondents shall, within thirty (30) days after the effective date of this Order, submit for EPA review and comment a plan that ensures the protection of the public health and safety during performance of on-site work under this Order. This plan shall be prepared in accordance with EPA's Standard Operating Safety Guide, (November 1984, updated July 1988). In

addition, the plan shall comply with all current applicable Occupational Safety and Health Administration regulations; Hazardous Waste Operations and Emergency Response; found at 29 CFR Part 1910. Such Respondents shall incorporate all changes to the plan recommended by EPA, and implement the plan during the pendency of the response action.

f. Quality Assurance and Sampling

All sampling and analyses performed pursuant to this Order shall conform to EPA direction, approval, and guidance regarding sampling, quality assurance/quality control (QA/QC), data validation, and chain of custody procedures. Respondents that choose Option 2 for performance of the work required pursuant to this Order shall ensure that the laboratory used to perform the analyses participates in a QA/QC program that complies with the appropriate EPA guidance. Respondents shall use the quality assurance, quality control, and chain of custody procedures described in "EPA Requirements for Quality Assurance Project Plans (QA/R-5)" (EPA/240/B-01/003, March 2001) and "Guidance for Quality Assurance Project Plans (QA/G-5)" (EPA 600/R-98/018, February 1998), and any amendments to these documents, while conducting all sample collection and analysis activities required herein by any plan. To provide quality assurance and maintain quality control, Respondents shall:

1. Use only laboratories that have a documented quality system that complies with ANSI/ASQC E4-1994, "Specifications and Guidelines for Quality Systems for Environmental Data Collection and Environmental Technology Programs," (American National Standard, January 5, 1995) and "EPA Requirements for Quality Management Plans (QA/R-2)" (EPA/240/B-01/002, March 2001) or equivalent documentation as determined by EPA. EPA may consider laboratories accredited under the National Environmental Laboratory Accreditation Program (NELAP) to meet the quality system requirements.
2. Ensure that the laboratory used by the Respondents for analyses performs according to a method or methods deemed satisfactory to EPA and submits all protocols to be used for analyses to EPA at least fourteen (14) days before beginning analysis.
3. Ensure that EPA personnel and EPA's authorized representatives are allowed access to the laboratory and personnel utilized by the Respondents for analyses.

Respondents shall notify EPA not less than fourteen (14) days in advance of any sample collection activity. At the request of EPA, Respondents shall allow split or duplicate samples to be taken by EPA or its authorized representatives, of any samples collected by Respondents with regard to the Site or pursuant to the implementation of this Order. In addition, EPA shall have the right to take any additional samples that EPA deems necessary.

g. Reporting

In the event that one or more Respondents choose to perform the work required by this Order in accordance with Option 1, each such Respondent shall notify EPA within ten (10) days of making payment to the AOC Party designated to receive such payment by EPA and provide EPA with a copy of the check or other payment mechanism.

In the event that one or more Respondents choose to perform the work required by this Order in accordance with Option 2, such Respondents shall submit a written progress report to EPA concerning actions undertaken pursuant to this Order on the first day of every month, beginning on November 1, 2008, until termination of this Order, unless otherwise directed by EPA in writing. These reports shall describe all significant developments during the preceding period, including the actions performed and any problems encountered, analytical data received during the reporting period, and the developments anticipated during the next reporting period, including a schedule of work to be performed, anticipated problems, and planned resolutions of past or anticipated problems.

Any Respondent and successor in title shall, at least thirty (30) days prior to the conveyance of any interest in any of the Facilities, give written notice of this Order to the transferee and written notice to EPA of the proposed conveyance, including the name and address of the transferee. The party conveying such an interest shall require that the transferee comply with Section VI(i) of this Order (Access to Property and Information).

h. Final Report

In the event that one or more Respondents choose to perform the work required by this Order in accordance with Option 2, within twenty (20) days after completion of all response actions required under this Order, such Respondents shall submit for EPA review and approval a final report summarizing the actions taken to comply with this Order. The final report shall include a good faith estimate of total costs or statement of actual costs incurred in complying with the Order. If applicable, the Final Report shall also include a listing of quantities and types of materials removed, a discussion of removal and disposal options considered for those materials, a listing of the ultimate destinations of those materials, a presentation of the analytical results of all sampling and analyses performed, and accompanying appendices containing all relevant documentation generated during the response action (e.g., manifests, invoices, bills, contracts, and permits). The final report shall also include the following certification signed by a person who supervised or directed the preparation of that report:

Under penalty of law, I certify that to the best of my knowledge, after appropriate inquiries of all relevant persons involved in the preparation of the report, the information submitted is true, accurate, and complete. I am

aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

i. Access to Property and Information

Each Respondent shall provide and/or obtain access to the Facilities and to on-Site and off-Site areas to which access is necessary to implement this Order, and provide access to all records and documentation related to the conditions at the Site and the response action conducted pursuant to this Order. Such access shall be provided to EPA employees, contractors, agents, consultants, designees, representatives, and State of California representatives. These individuals shall be permitted to move freely at the Facilities and appropriate off-site areas in order to conduct actions which EPA determines to be necessary. Respondents shall submit to EPA the results of all sampling or tests and all other data generated by Respondents or their contractors, or on the Respondents' behalf during implementation of this Order. Nothing in this Paragraph shall in any way limit EPA's rights to access as set forth in Section VIII of the Consent Decrees.

Where action under this Order is to be performed in areas owned by or in possession of someone other than Respondents, Respondents shall use their best efforts to obtain all necessary access agreements as specified in writing by EPA. Respondents shall immediately notify EPA if, after using their best efforts, they are unable to obtain such agreements. Respondents shall describe in writing their efforts to obtain access. EPA may then assist Respondents in gaining access, to the extent necessary to effectuate the response actions described herein, using such means as EPA deems appropriate. EPA reserves the right to seek reimbursement from Respondents for all costs and attorney's fees incurred by the United States in obtaining access for Respondents.

j. Record Retention, Documentation, Availability of Information

Respondents shall preserve all documents and information relating to work performed under this Order, or relating to the hazardous substances found at the Site or released from the Facilities, for ten years following completion of the response actions required by this Order. At the end of this ten-year period and thirty (30) days before any document or information is destroyed, Respondents shall notify EPA that such documents and information are available to EPA for inspection, and upon request, shall provide the originals or copies of such documents and information to EPA. In addition, Respondents shall provide documents and information retained under this Section at any time before expiration of the ten-year period at the written request of EPA.

Respondents may assert a business confidentiality claim pursuant to 40 CFR § 2.203(b) with respect to part or all of any information submitted to EPA pursuant to this Order, provided such claim is allowed by Section 104(e)(7) of CERCLA, 42 U.S.C. § 9604(e)(7). Analytical and other data specified in Section 104(e)(7)(F) of

CERCLA shall not be claimed as confidential by the Respondents. EPA shall only disclose information covered by a business confidentiality claim to the extent permitted by, and by means of the procedures set forth at, 40 CFR Part 2, Subpart B. If no such claim accompanies the information when it is received by EPA, EPA may make it available to the public without further notice to Respondents.

Respondents shall maintain a running log of privileged documents on a document-by-document basis, containing the date, author(s), addressee(s), subject, the privilege or grounds claimed (e.g., attorney work product, attorney-client), and the factual basis for assertion of the privilege. Respondents shall keep the "privilege log" on file and available for inspection. EPA may at any time challenge claims of privilege through negotiations or otherwise as provided by law or the Federal Rules of Civil Procedure.

k. Off-Site Shipments

In the event that one or more Respondents choose to perform the work required by this Order in accordance with Option 2, such Respondents shall ensure that all hazardous substances, pollutants, or contaminants removed off-site pursuant to this Order for treatment, storage, or disposal shall be treated, stored, or disposed of at a facility in compliance, as determined by EPA, with 42 U.S.C. § 9621(d)(3) and the EPA "Revised Procedures for Implementing Off-Site Response Actions," OSWER Directive Number 9834.11, November 13, 1987. Regional Offices will provide information on the acceptability of a facility under Section 121(d)(3) of CERCLA and the above directive.

Prior notification of out-of-state waste shipments should be given consistent with OSWER Directive 9330.2-07.

l. Compliance with Other Laws

In the event that one or more Respondents choose to perform the work required by this Order in accordance with Option 2, on-site response actions shall attain applicable or relevant and appropriate requirements ("ARARs") and Respondents shall perform all actions required pursuant to this Order in accordance with all applicable local, state, and federal laws and regulations except as provided in CERCLA Section 121(e).

m. Emergency Response and Notification of Releases

In the event that one or more Respondents choose to perform the work required by this Order in accordance with Option 2, such Respondents shall immediately take all appropriate action if any incident or change in conditions at the Site or at any one of the Facilities causes or threatens to cause an additional release of hazardous substances at the Site or from one of the Facilities or causes or threatens to cause an endangerment to the public health, welfare, or the environment during the actions

conducted pursuant to this Order. Such Respondents shall take these actions in accordance with all applicable provisions of this Order, including, but not limited to the Health and Safety Plan, in order to prevent, abate or minimize such release or endangerment caused or threatened by the release. Such Respondents shall also immediately notify EPA's Regional Duty Officer for the Region IX Emergency Planning and Response Branch, at (800) 300-2193 of the incident or Site conditions. If such Respondents fail to take action, EPA may respond to the release or endangerment and reserve the right to pursue cost recovery.

In addition, in the event of any release of a hazardous substance, such Respondents shall immediately notify the National Response Center at telephone number (800) 424-8802. Such Respondents shall submit a written report to EPA within seven (7) days after each release, setting forth the events that occurred and the measures taken or to be taken to mitigate any release or endangerment caused or threatened by the release and to prevent the reoccurrence of such a release. This reporting requirement is in addition to, not in lieu of, reporting under CERCLA Section 103(c) and Section 304 of the Emergency Planning and Community Right-To-Know Act of 1986, 42 U.S.C. Sections 11001 et seq.

VII. AUTHORITY OF THE EPA REMEDIAL PROJECT MANAGER

23. EPA's remedial project manager ("RPM") shall be responsible for overseeing the proper and complete implementation of this Order. The RPM shall have the authority vested in an on-scene coordinator ("OSC") by the NCP, 40 CFR 300.120, including the authority to halt, conduct, or direct any action required by this Order, or to direct any other response action undertaken by EPA or Respondents at the Site. Absence of the RPM from the Site shall not be cause for stoppage of work unless specifically directed by the RPM.

EPA and Respondents shall have the right to change their designated RPM or Project Coordinator. EPA shall notify the Respondents, and Respondents shall notify EPA five (5) days, before such a change is made. Notification may initially be made orally, but shall be followed promptly by written notice.

VIII. ENFORCEMENT: PENALTIES FOR NONCOMPLIANCE

24. Violation of any provision of this Order may subject Respondents to civil penalties of up to thirty two thousand five hundred dollars (\$32,500) per violation per day, as provided in Section 106(b)(1) of CERCLA, 42 U.S.C. § 9606(b)(1), as adjusted pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990, 28 U.S.C. § 2461. Respondents may also be subject to punitive damages in an amount up to three times the amount of any cost incurred by the United States as a result of such violation, as provided in Section 107(c)(3) of CERCLA, 42 U.S.C. § 9607(c)(3). Should Respondents violate this Order or any portion hereof, EPA may carry out the required actions unilaterally, pursuant to Section 104 of CERCLA, 42 U.S.C. § 9604, and/or may seek judicial enforcement of this Order pursuant to Section 106 of CERCLA, 42 U.S.C. § 9606.

IX. REIMBURSEMENT OF OVERSIGHT COSTS

25. Respondents shall reimburse EPA, upon written demand, for all response costs incurred by the United States in overseeing Respondents' implementation of the requirements of this Order. EPA may submit to Respondents on a periodic basis a bill for all response costs incurred by the United States with respect to this Order. EPA's itemized cost summary as certified by EPA, shall serve as the basis for payment demands.

Respondents shall, within twenty (20) days of receipt of the bill, remit a cashiers or certified check for the amount of those costs made payable to the "Hazardous Substance Superfund," to the following address:

U.S. Environmental Protection Agency
Superfund Payments Center
PO Box 979076
St. Louis, Missouri 63197-9000

Respondents shall simultaneously transmit a copy of the check to Rachel Loftin at U.S. EPA Region 9, 75 Hawthorne Street, Mail Code SFD-7-1, San Francisco, CA 94105. Payments shall be designated as "Response Costs-North Hollywood Operable Unit of the San Fernando Valley Superfund Site, Area 1" and shall reference the payor's name and address, the EPA site identification number (09N1), and the docket number of this Order.

Interest at the rate established under Section 107(a) of CERCLA shall begin to accrue on the unpaid balance from the day of the original demand notwithstanding any dispute or objection to any portion of the costs.

X. RESERVATION OF RIGHTS

26. Except as specifically provided in this Order, nothing herein shall limit the power and authority of EPA or the United States to take, direct, or order all actions necessary to protect public health, welfare, or the environment or to prevent, abate, or minimize an actual or threatened release of hazardous substances, pollutants or contaminants, or hazardous or solid waste on, at, or from the Facilities or the Site. Further, nothing herein shall prevent EPA from seeking legal or equitable relief to enforce the terms of this Order, from taking other legal or equitable action as it deems appropriate and necessary, or from requiring the Respondents in the future to perform additional activities pursuant to CERCLA or any other applicable law. EPA reserves the right to bring an action against Respondents under Section 107 of CERCLA, 42 U.S.C. § 9607, for recovery of any response costs incurred by the United States related to this Order or the Site and not reimbursed by Respondents.

XI. OTHER CLAIMS

27. By issuance of this Order, the United States and EPA assume no liability for injuries or damages to persons or property resulting from any acts or omissions of Respondents. The

United States or EPA shall not be deemed a party to any contract entered into by the Respondents or their directors, officers, employees, agents, successors, representatives, assigns, contractors, or consultants in carrying out actions pursuant to this Order.

This Order does not constitute a pre-authorization of funds under Section 111(a)(2) of CERCLA, 42 U.S.C. § 9611(a)(2).

Nothing in this Order shall constitute a satisfaction of or release from any claim or cause of action against the Respondents or any person not a party to this Order, for any liability such person may have under CERCLA, other statutes, or the common law, including but not limited to any claims of the United States for costs, damages and interest under Section 106(a) and 107(a) of CERCLA, 42 U.S.C. §§ 9606(a) and 9607(a).

XII. MODIFICATIONS

28. Modifications to any plan or schedule may be made in writing by the RPM or at the RPM's oral direction. If the RPM makes an oral modification, it will be memorialized in writing within ten (10) days; provided, however, that the effective date of the modification shall be the date of the RPM's oral direction. The rest of the Order, or any other portion of the Order may only be modified in writing by signature of the Chief of EPA Region 9's California Site Cleanup Branch.

If Respondents seek permission to deviate from any approved plan or schedule (or Statement of Work), Respondents shall submit a written request to EPA for approval outlining the proposed modification and its basis.

No informal advice, guidance, suggestion, or comment by EPA regarding reports, plans, specifications, schedules, or any other writing submitted by the Respondents shall relieve the Respondents of their obligation to obtain such formal approval as may be required by this Order, and to comply with all requirements of this Order unless it is formally modified.

XIII. NOTICE OF COMPLETION

29. When EPA determines that all response actions have been fully performed in accordance with this Order, with the exception of any continuing obligations required by this Order, EPA will provide notice to the Respondents. If EPA determines that any response actions have not been completed in accordance with this Order, EPA will notify the Respondents, provide a list of the deficiencies, and require that Respondents modify the work plan to correct such deficiencies. The Respondents shall implement the modified and approved work plan and shall submit a modified Final Report in accordance with the EPA notice. Failure by Respondents to implement the approved modified work plan shall be a violation of this Order.

XIV. ACCESS TO ADMINISTRATIVE RECORD

30. The Administrative Record supporting these response actions is available for review at the Los Angeles Department of Water and Power Library, 111 North Hope Street, Room 518, Los Angeles California 90012 and at the EPA Region 9 Superfund Records Center, Mail Stop SFD-7C, 95 Hawthorne Street, Room 403, San Francisco, California 94105.

XV. OPPORTUNITY TO CONFER

31. Within seven (7) days after this Order is signed by EPA, Respondents may request a conference with EPA. Any such conference shall be held before the effective date of this Order unless extended by agreement of the parties. At any conference held pursuant to the request, Respondents may participate in person or be represented by an attorney or other representative.
32. If a conference is held, Respondents may present any information, arguments or comments regarding this Order. Regardless of whether a conference is held, Respondents may submit any information, arguments, or comments in writing to EPA before the effective date of this Order. This conference is not an evidentiary hearing, does not constitute a proceeding to challenge this Order, and does not give Respondents a right to seek review of this Order. Requests for a conference, or any written submittal under this paragraph, shall be directed to Michael Massey, Assistant Regional Counsel, at (415) 972-3034, U.S. EPA Region 9, 75 Hawthorne Street, Mail Code ORC-3, San Francisco, CA 94105.

XVI. INSURANCE

33. In the event that one or more Respondents choose to perform the work required by this Order in accordance with Option 2, at least seven (7) days prior to commencing any on-Site work under this Order, such Respondents shall secure, and shall maintain for the duration of this Order, comprehensive general liability insurance and automobile insurance with limits of one million dollars (\$1,000,000), combined single limit. Within the same time period, such Respondents shall provide EPA with certificates of such insurance and a copy of each insurance policy. If such Respondent or Respondents demonstrate(s) by evidence satisfactory to EPA that any contractor or subcontractor maintains insurance equivalent to that described above, or insurance covering the same risks but in a lesser amount, then such Respondents need provide only that portion of the insurance described above which is not maintained by such contractor or subcontractor.

XVII. ADDITIONAL RESPONSE ACTIONS

34. If EPA determines that additional response actions not included in an approved work plan are necessary to protect public health, welfare, or the environment, EPA will notify Respondents of that determination. Unless otherwise stated by EPA, within thirty (30) days of receipt of notice from EPA that additional response actions are necessary to protect public health, welfare, or the environment, Respondents shall submit for approval by EPA a work plan for the additional response actions. The plan shall conform to the applicable

requirements of this Order. Upon EPA's approval of the plan pursuant to Section VI(c) (Work Plan and Implementation), Respondents shall implement the work plan for additional response actions in accordance with the provisions and schedule contained therein. This Section does not alter or diminish the RPM's authority to make oral modifications to any plan or schedule pursuant to Section XII.

XVIII. SEVERABILITY

35. If a court issues an order that invalidates any provision of this Order or finds that Respondents have sufficient cause not to comply with one or more provisions of this Order, Respondents shall remain bound to comply with all provisions of this Order not invalidated or determined to be subject to a sufficient cause defense by the court's order.

XIX. EFFECTIVE DATE

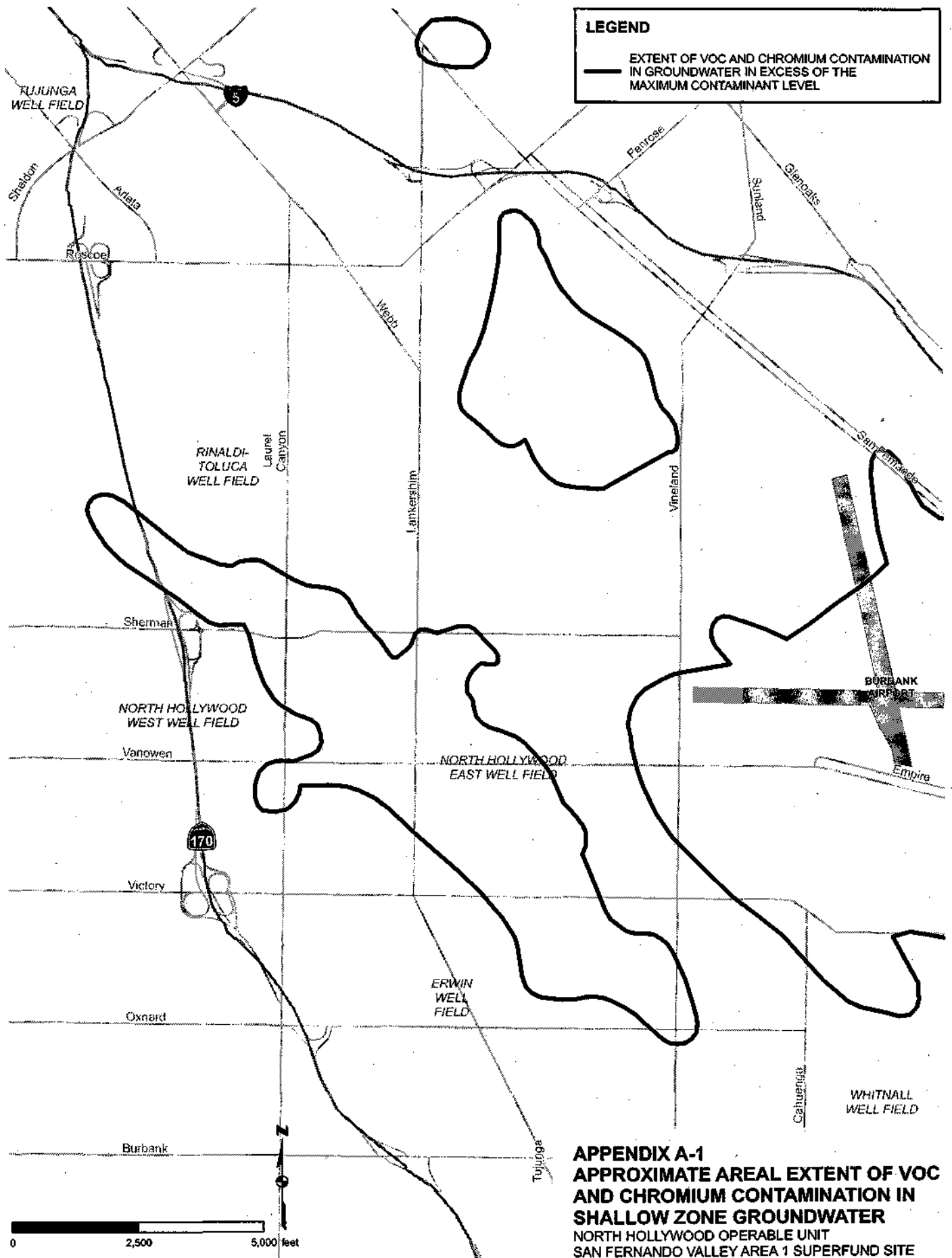
36. This Order shall be effective twelve (12) days after the Order is signed by EPA.

IT IS SO ORDERED

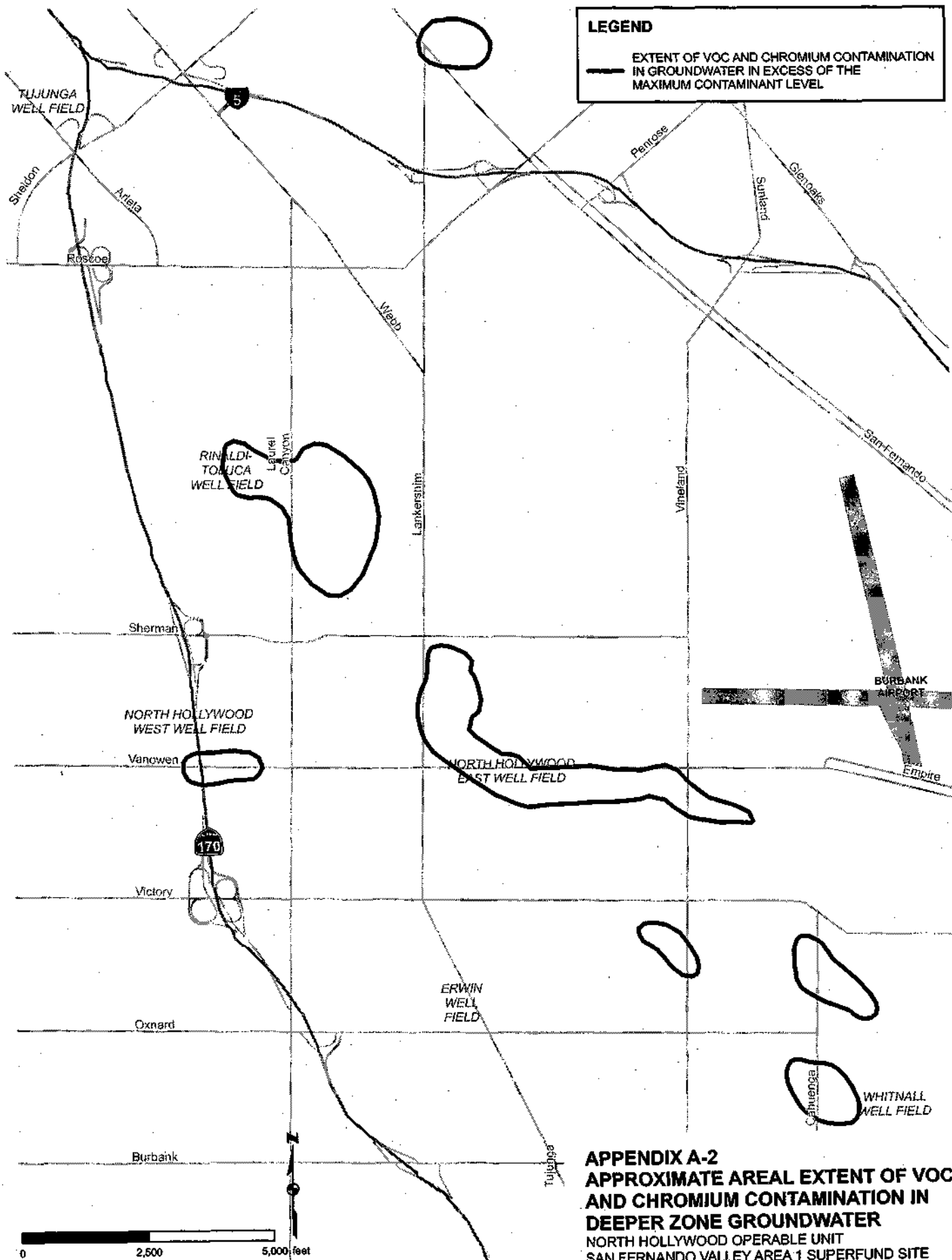
BY: Kathleen Salyer
Kathleen Salyer
Assistant Director, Superfund Division
California Site Cleanup Branch
Region 9
U.S. Environmental Protection Agency

DATE: 9/18/08

EFFECTIVE DATE: 9/30/08



APPENDIX A-1
APPROXIMATE AREAL EXTENT OF VOC
AND CHROMIUM CONTAMINATION IN
SHALLOW ZONE GROUNDWATER
 NORTH HOLLYWOOD OPERABLE UNIT
 SAN FERNANDO VALLEY AREA 1 SUPERFUND SITE





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Module H, 4th Floor
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U.S. Mail: PO Box 727
Memphis, TN 38194-4643

Telephone: 901-369-3600

September 24, 2008

Dear Customer:

The following is the proof-of-delivery for tracking number **959802221417**.

Delivery Information:

Status:	Delivered	Delivery location:	LOS ALAMITOS, CA
Signed for by:	T.VILLAREAL	Delivery date:	Sep 22, 2008 12:48
Service type:	Standard Envelope		

Shipping Information:

Tracking number:	959802221417	Ship date:	Sep 19, 2008
		Weight:	0.5 lbs.

Recipient:
LOS ALAMITOS, CA US

Shipper:
OAKLAND, CA US

Reference 06-5026-01-4535-600

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